Watergate-Hughes Data Link Probed

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The Senate select Watergate committee is investigating the possibility that the Watergate burglary was an attempt to discover if Democratic National Committee Chairman Lawrence F. O'Brien had any damaging information linking billionaire recluse Howard Hughes and the Nixon administration.

The Senate committee has been told by witnesses in recent closed sessions that the Nixon administration was interested in whether O'Brien's business relationship with the Hughes Tool Co. between 1969 and 1972 had provided him information concerning campaign contributions from Hughes to President Nixon and the business dealings of Mr. Nixon's two brothers.

Chief counsel Samuel Dash acknowledged yesterday that the Senate committee is pursuing the "theory" that the June 17, 1972, Watergate break-in was carried out to discover what information, if any, O'Brien had about activities involving Hughes that could prove embarrassing to the Nixon re-election campaign.

"That's a theory," Dash said. "This is one of a number of theories we are presently operating on. This is a viable theory. It may not prove to be true, but it is one we are operating on at the moment."

The Senate committee staff's investigation of a possible tie between the Hughes-Nixon relationships and the Watergate break-in indicates that the committee

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is still not satisfied that it has been given an adequate explanation of the burglary and bugging of the Democrats' Watergate headquarters.

In addition to having served as Democratic National Committee chairman from 1969 to mid-1972, O'Brien also heads a public relations firm that, he has acknowledged publicly, was on a retainer from Hughes beginning in 1969.

O'Brien could not be reached for comment yesterday, but a spokesman released a brief statement from him, stating: "I had no information regarding President Nixon, his brothers or his friends, so the speculation is groundless. This is simply another in a string of theories I've heard and I'm sure there will be more."

The new direction of the committee's investigation was made public yesterday in federal court papers filed in connection with a suit by employees of the Hughes empire who are seeking to bar the Senate committee from questioning them in private session. A federal judge has thus far refused to stop the committee from privately questioning the Hughes employees.

Among the documents filed in connection with the suit is the transcript of the Senate committee's Dec. 4 executive session with Hughes' attorney Chester C. Davis in which the committee's lawyers made reference to other closed session testimony that the Nixon administration was interested in the extent of O'Brien's knowledge about connections between the Hughes organization and Mr. Nixon.

The bulk of the four-hour session with Davis involved wrangling over what documents he was required to produce for the committee But Dash and assistant committee chief counsel Terry F. Lenzner summarized for the record earlier testimony gathered by the staff while investigating the $100,000 purported campaign contribution from Hughes that was given to President Nixon's friend, Charles G. (Bebe) Rebozo.

Although it has been known for several weeks that the Senate committee was investigating the $100-000 contribution from Hughes—as well as the relationship of President Nixon's brother, F. Donald Nixon, to Hughes aide John Meier and Hughes business dealings in Nevada—the minutes of the Dec. 4 committee session are the first suggestion that Hughes may be connected to the Watergate break-in and attempted bugging of O'Brien's telephone.

At one point in the Dec. 4 session, Dash stated:

"Mr. O'Brien's files were the subject of search in the break-in of the Democratic National Committee. It now appears from testimony that we are receiving that the relationship that Mr. O'Brien has with the Hughes Tool Co., and his personal knowledge of the particular matters we are now inquiring into — his own personal knowledge of the contribution involving this money (the $100,000), his own personal knowledge of any relationships between Mr. Meier, Mr. Donald Nixon, and all these other matters — may have been the basis and reason for the break-in in the Democratic National Headquarters and for the wiretapping of Mr. O'Brien."

Comments made by assistant chief counsel Lenzner indicate that the Watergate break-in may have been generated by the same concern that caused an earlier but apparently abortive attempt

to burglarize the safe of Las Vegas newspaper publisher Henry Greenspun. The committee already has heard public testimony from Watergate conspirators James W. McCord and E. Howard Hunt Jr. about the attempted Las Vegas burglary.

Lenzner indicated that the staff was "looking at" a discussion among deputy Nixon campaign manager Jeb Stuart Magruder, Attorney General John N. Mitchell and Watergate conspirator G. Gordon Liddy concerning a "possible break-in" of Greenspun's safe.

Lenzner went on to say that the administration was at that time investigating whether Greenspun had information concerning the $100,000 donation from Hughes to Rebozo and whether Greenspun had information relating to relationship between Meier and President Nixon's brothers, Donald and Edward.

"Thirdly," Lenzner said, "we have received allegations in our interviews and testimony that the $100,000, while stated by Mr. Rebozo to have been for the (1972) presidential election, served a dual purpose; that the other purpose was that it was to be consideration in return for which the Hughes Tool Corporation received special benefits, special decisions by the administration on a variety of matters."

The $100,000 purported campaign contribution was delivered to Rebozo by a Hughes emissary in $50,000 installments in 1969 and 1970.

The "special benefits," as outlined by Lenzner, included the 1969 acquisition by Hughes of Air West, the acquisition of additional hotels in Las Vegas after the Justice Department had ruled that Hughes could acquire no more Las Vegas hotels and attempts by Hughes to stop underground nuclear testing in Nevada.

"We have been advised by witnesses that Mr. O'Brien's relationship to the Hughes Tool Corporation was a matter of interest and investigation by the Nixon administration for the period between 1969 and 1972," Lenzner said.

"And we are inquiring and investigating whether the break-in and the electronic surveillance placed on Mr. O'Brien's phone at the Democratic National Committee had any relationship at all to the information that he may have received, or may have been receiving from the employees of the Hughes Tool Co., former employees, relating to the gift to Mr. Rebozo, the transfer of the $100,000 to Mr. Rebozo; and Mr. Meier's relationship to Donald Nixon and Edward Nixon, and their possibly receiving cash, or compensation of some kind from either Mr. Meier, or the Hughes Tool Co. directly."

Referring to Hughes, "the Greenspun safe" and the Watergate break-in, Dash said: "It is our view that these matters are related."

In response to a statement by Sen. Lowell P. Weicker Jr. (R-Conn.) at the closed session that Hughes may be somehow connected to the reason for the bug on O'Brien's phone, Lenzner said, "That is not the only basis but we believe it was a basis."

A spokesman for Hughes said last night that he would have no comment on the Dec. 4 Senate committee session because "All these matters have a bearing on all the lawsuits we're involved in."

Documents already made public during the Senate select Watergate committee's earlier hearings indicated that the White House was interested in O'Brien's connections with Hughes as early as January, 1971. However, those documents did not indicate that O'Brien possessed any information that could be damaging to the Nixon administration.

A confidential memo for then-White House chief of staff, H. R. Haldeman, from John W. Dean III, then the White House general counsel, dated Jan. 26, 1971, said that O'Brien was still on a retainer from Hughes even though O'Brien was then serving as Democratic national chairman.

A Jan. 28, 1971 confidential memo from Haldeman to Dean suggested leaking to the press information about O'Brien's retainer from Hughes, but warned that the names of Rebozo and businessman Robert F. Bennett should in no way be connected with the leak.

Dean's Jan. 26 memo noted that Rebozo had dealings with some of Hughes' business associates, while Bennet had Hughes as a public relations client and was the source for the White House of some of the information regarding the Hughes-O'Brien link. Watergate conspirator Hunt worked both for Bennett at Robert R. Mullen and Company here and as a White House consultant at the time of the Watergate burglary arrests.

In Hunt's testimony before the Watergate committee this September, he told of a plan known to Bennett to burglarize, with the help of some Hughes security officials, the safe in the office of Las Vegas publisher Greenspun.

Hunt testified that the burglary never took place. Its purpose, he said, was twofold: to aid President Nixon's re-election by obtaining documents, believed to be in Greenspun's possession, which would damage the candidacy of Sen. Edmund Muskie (D-Maine); and to obtain other documents that would purportedly help Hughes defend himself in a libel suit filed against him by a former aide in Nevada.

Both Hunt and Bennett contended the plan was dropped after Muskie's candidacy began to fade in the late winter and early spring of 1972. Bennett told The Washington Post in September that Hunt had never mentioned that the purpose of the planned break-in had anything to do with recovering memos that might embarrass President Nixon, his family or his associates.

Former Aides Silent On Nixon's Brother

The White House is citing national security as the basis for its refusal to allow two former presidential aides to testify about the electronic surveillance of F. Donald Nixon, the President's brother, a Senate Watergate committee spokesman said yesterday.

Terry F. Lenzner, assist-

ant chief counsel for the committee, said attorneys for former presidential aides H.R. (Bob) Haldeman and John D. Ehrlichman said the White House had directed them not to answer questions about the surveillance because of national security.

President Nixon acknowledged last month that the Secret Service had wiretapped his brother's telephone, but he cited "security reasons," and not national security, as the reason for the bugging.

In court papers filed yesterday, Lenzner said that the White House's "particular concern" was with a trip Donald Nixon made to the Dominican Republic in 1969 with John H. Meier, a former employee of billionaire Howard Hughes. At the time, Meier was negotiating for mining rights in the Caribbean nation.

Lenzner's statement came in court papers filed in connection with a suit by employees of Hughes who are seeking to block the committee from questioning them in private.

United Press International

DILAPIDATED?—The Charles Mylander family, President Nixon's tenants in Whittier, Calif., was irritated when White House officials described their home as "dilapidated." Mr. Nixon inherited the home from his mother.